

Approved

**AFFORDABLE HOUSING ADVISORY COMMITTEE
BUILDING SERVICES CENTER – 700 NW 19 AVENUE
DSD Conference Room
Monday September 14, 2015 - 9:00 A.M. Minutes**

Cumulative Attendance

Committee Members	Attendance	7/15 through 6/16	
		Present	Absent--
Amanda Spangler-Bartle-Chair	P	3	0
Roosevelt Walters, Vice Chair	P	3	0
Edwin Parke	P	3	0
Brian Poulin	P	3	0
Jonathan Jordan	A	1	2
Skeet Jernigan	A	2	1
*Peter Cooper (apt 8/14)	P	3	0
*Roderick Kemp (apt 11/14)	A	0	3
*Kenneth Walton (apt 12/14)	A	2	1
*Rosalind Osgood (apt 2/15)	P	3	0
*Chenara Anderson (appt 5/15)	A	1	2
*Bradley Deckelbaum (reappt 5/19/15)	P	2	1

*Members were appointed after July 2014

Staff

Jonathan Brown, Housing Manager, HCD/DSD
Al Battle, Deputy Director
Claudia Goncalves, Housing Rehabilitation Financial Aide

Mandy, Chair called the meeting to order at 9:05 a.m. There was not a quorum for voting of official business. AHAC and Staff Introductions were made including new staff member, Claudia Goncalves. AHAC only discussed Agenda Items since there was not a quorum. Bradley Deckelbaum arrived at 9:20. Roll was called when a quorum was met.

Approval of Minutes – August 10, 2015

Mandy motioned to approve the Minutes for August 13, 2015 once there was a quorum with any necessary corrections; the motion was second by Bradley and was unanimously approved by vote.

Old Business

Draft Affordable Housing Policy

Jonathan Brown stated that the Affordable Housing Policy is in the final stages, and still has to go through the City review process for the agenda of October 6; the staff added an exhibit, which will capture the recommendations from the AHAC. The AHAC will have a recommendation document instead of a policy document, especially in the areas the staff does not agree with the AHAC.

Mandy stated that she had send Jonathan recommendations based on draft received; Mandy's recommendations were presented to the AHAC for review and discussion. Brian stated that his concerned was item number five (5) priority should not be limited to nonprofit developers, but should include experienced affordable housing developers. Mandy stated that this is for discussion by the AHAC before voting on recommendations.

Roosevelt asked if this is going to be a commission meeting or a workshop. Jonathan responded that it will be a commission meeting. Roosevelt stated that he feels that it should be for public discussion, otherwise there will not be much of consideration, and he feels that affordable housing is an important item for the community.

Mandy stated that the draft of the recommendations is not included in the Consent Agenda. Jonathan responded that some of the documents will be integrated in the agenda as an exhibit. When the adoption is made the recommendations will become part of the document.

Roosevelt stated that it should be a public hearing for opinion, because 90% of the people are unaware of what is going on. Jonathan stated that whether there is a public hearing or not will not change the City Commission decision. Al stated that it is a resolution on the memo; suggested to wait to see the resolution in the agenda, before further discussion.

Bradley suggested that since there is a public meeting the day before the scheduled meeting, a representative of the commissioners be invited to attend the public hearing, for awareness or get feedback.

Jonathan responded that the meeting of the 5th is related to the statutory requirements. Mandy stated the meeting can be expanded since related to the City's housing policy. Jonathan agreed to the expanded meeting, but must make sure to get through the statutory requirements first. Mandy stated that the meeting is held every three (3) years, not too many people show up, which includes Planning and Zoning discussion as well the SHIP funding.

Brian stated that there is \$300,000 sitting in a trust; it should have a time limit placed on this money to be spent. Al responded that technically is not in a trust fund, is in an account which was designated for future affordable housing. If the funds were in a trust fund, it would have a time limit to be spent. Brian stated that the \$300,000 can be used for something. Al agreed, but stated that since is not in a trust like other City funds that are used for a variety of purposes, there is no timeline to spend funds. Unless the money is in the ordinance, the funds that are in a trust will have to have a timeline, and will have additional requirements consistence with some of the recommendations here. This money was capitalized with dollars designated for affordable housing.

Al pointed out that on the seven (7) items in the policy document, items 2, 3 and 4 are part of the policy document, items 1, 5, 6, and 7 especially on item 1 there is a definition on how the funds are designated in the terminology section in the document. Number 5 the staff have not gotten to establish a selection criteria, number 6 is not in the documents, and number 7 speaks of exactly what this discussion is about; to get as much inclusivity in the housing ordinance. Some will be implemented, but once is adopted it cannot be changed.

Mandy stated that on items 2, 3, and 4 AHAC does not know the specifics, because some items were taken out, not sure what recommendations will be made to item 3, which is how the affordable housing trust-fund is funded.

Al stated that residential lots proceeds will go to affordable housing trust fund. The City Manager has not agreed upon recommendations regarding the commercial lots at this time. The \$300,000 the City Manager will capitalize part into a trust fund; every City owned parcel that is sold, the proceeds will go that. Mandy pointed out that based on the way is drafted what is available to capitalize will be limited going forward.

Roosevelt asked if there have been any discussions with the City Manager of the appreciation of the City owned lots. A city department may have provided funds to purchase a property for \$50,000 sold for \$100,000. \$50,000 will go back to the department and \$50,000 will be placed into the affordable housing trust fund. Al responded that they have not spoken to the City Manager and that Jonathan is highlighting some properties that need to be paid back if they are not used for a specific reason, some deeded properties were purchase with City or Federal funds, and those do not need to be paid back to any entity.

Roosevelt mentioned that it was a different item the AHAC talked about on 441 where the water tower was, if a department purchased that? Al responded that there are some that are part of the infrastructure, those are with the City Attorney eligible lots, and those are not deemed eligible housing lots. Roosevelt asked, why not? Those are the things for discussion with the City Commission or Manager. The AHAC wants to voice concerns on the appreciation of lots purchase by other departments within the City.

Mandy stated that the recommendation of the drafted policy says all properties are eligible. Roosevelt stated that the AHAC need a definition of what is eligible. Mandy stated that, getting into eligibility definition, who decides what is eligible and what criteria, makes it eligible. Jonathan asked, so what should be done with this? Mandy stated, if this is what the AHAC wants, then the AHAC need to motion to adopt a community recommendation if they want to make changes.

Roosevelt asked Mandy to go over each item and determine what needs to be changed. Mandy stated that 140% middle income is a new thing, the staff suggested that it stayed as moderate. Brian stated that he had no idea or seen the 140% as middle income. Mandy stated it was something the City staff had included.

Jonathan stated that the state had advised the staff to use 140% of AMI, the staff kept it in the documents as moderate. Whether the AHAC call it moderate or middle, which is not a typical terminology used that staff is aware of.

Brian suggested that the 140% moderate income be taken out. Reply from the AHAC members was to strike it out. Mandy stated that the rest of the definition she drafted is what the City currently has adopted as affordable housing. Brian stated that he thinks that instead of monthly rents it should be monthly housing costs, so that includes electricity and water. Is the 30% of the middle income (140%) of the (AMI)?

Mandy responded that it was pulled directly from the housing ordinance from 1980's. Mandy suggested crossing out the 140% for middle. Mandy asked if the AHAC wants to include the moderate definition of the 120% as it is drafted.

Roosevelt stated to take out the 120% and go from the 80% to 140%. Mandy suggested that the AHAC could indicate 120% or 140% based on the program. Jonathan responded that the difference between the 120% and 140%, staff recommendation is 50% to 80% is low income, whereas the definition on the document says 120%, staff stop at 80% and then go up to 140% and that's the difference staff have on paper and the policy document.

Bradley stated that moderate income is basically what the AHAC has in the document. Mandy stated that the household income definition should include transportation.

Jonathan stated that the policy document defines affordability according to HUD and the State. The City has to abide by the definitions from HUD and the State, using affordability indexes the City recommends using the H + T index (housing + transportation).

Mandy indicated that is hard to know all the definitions and when it applies to the different programs. Al stated that the staff wants to include the H + T index to keep the affordability in key areas and to keeping developers from coming in with inedible projects in sections of the City. By looking at the study from Florida International University (FIU) there is disparity of transportation cost in certain segments of the City. Al explained the elements that account for cost of transportation; include the time, the true cost, time and cost, but does not affect the application process.

Brian suggested crossing out the first sentence and leaving the second sentence of the affordability definition, since it is already in the report. Rosalind stated that the program has defined the definition; therefore it does not need to be included in the recommendations. All the members in the AHAC members agreed to this change.

Mandy stated that the second item was already discussed; establishing an affordable housing trust fund and that it will be established by the end of the year with recommendations from the committee on how the funds will be used. Roosevelt stated that it is a working effort between the Mayor, staff, Commission and the AHAC to establish the rules and regulations as governed for implementation of the affordable housing trust fund.

Jonathan asked the AHAC what time frame will be needed to work on the statutory requirements, calendar year or fiscal year to get the report ready for the State and work on the trust fund prior the calendar year end, which is September 30th, 2016. Mandy indicated that the fiscal year is good; the AHAC would have ample time for the ordinance to be adopted. All the members in the AHAC agreed on the fiscal year.

Mandy on number 3, stated that this is how a trust fund would be funded. Brian asked Mandy where the \$7,500 comes from and what does flex unit means? Mandy responded that this is the only provision the AHAC have never discussed, the reason why the City is adopting the affordable housing policy is to ask the county for 5,000 plus units in the downtown area. The City will set aside some of those units for affordable housing, and the units that are not affordable will be accessed a fee.

Mandy stated that it was her personal suggestion because it will fund 30 million into a trust fund for affordable housing. Brian stated that he rather set aside for affordable housing units instead of the \$7,500 for flex units. Mandy replied that the City is already setting aside 10% or 15%.

Brian's concern was that this may stifle all the buildings and end up with no units for affordable housing; \$7,500 is a lot of money. Mandy stated that the amount can be changed, but want to have funds in case HUD or the State funds become limited. This is about generating dollars not units. Brian stated that the \$7,500 part of #3 should be crossed out. Mandy motioned to approve removing the \$7,500 as part of #3 by a show of hands. The motion was unanimously by vote.

Mandy stated that #4 provides affordable housing for income eligible households for housing that are donated, discounted, or funded by the City will go to someone that is making less than 140% of the median income, and remain affordable for 15 years. Members asked if this is in the plan. Jonathan responded that is not in the plan, the 140% is not spelled out in the plan. Brian asked who discounts or donates the properties; meaning a person can just get the deed. Mandy responded, that the way is drafted anyone that is not income eligible can get a free property, including developers.

Jonathan mentioned that the City does a 15 year lien restriction on the property, to make it more specific to ensure the property goes to someone that meets the income eligibility, only if it was use with state or federal funds, but not if owned with City funds. Jonathan stated that on the section about incentives on the land contribution as equity, the City should utilize property City own property equity when negotiating with developers for affordable housing projects, with provisions that will prohibit the sale, transfer, or refinance of the property within 15 years.

Al stated that the document does not say all the properties, the Commission and City Manager do not want to use all the properties for affordable housing. Having affordable housing instead of calling it infield housing development, calling it affordable and designating it affordable may be two different things from a policy maker's perspective.

Mandy stated that if a developer is getting discounted or donated property from the City they should be used for affordable housing, if they get it at market price it will not be required to be affordable. Changes were made to remove the incentives by the City on donated or discounted properties.

Mandy stated that #5 was discussed before, and part of it should be removed, the part indicating that priority should be given to nonprofit developers. The AHAC agreed that the City should partner with experienced affordable housing developers no matter whom they are, for profit or not.

Mandy stated that #6 talks about locating affordable housing near transit, which ties in with what was discuss about transportation, and asked if anyone wants to make any changes. The AHAC indicated no changes necessary.

Mandy #7 talks about the City adopt any corresponding ordinance to the plan by the end of the fiscal year.

Mandy said to Roosevelt before leaving the room to take a vote. Mandy motioned to approve the recommendations based on the changes discussed; the motion was second by Rosalind and was unanimously approved by vote.

Housing Study

Jonathan stated that phase II of the study is included, also was e-mail out to the AHAC as soon as it was received. There are some minor changes that were discussed with the FIU, but no substantial changes. Mandy indicated that she had not had a chance to review it, and asked if anyone had a chance to review or have any questions.

Jonathan stated the study will be presented as an exhibit with the affordable housing policy document, along with the AHAC recommendations. There were no questions or comments from the AHAC.

Jonathan stated that if the AHAC had any questions to send the staff an e-mail while the staff works through minor changes with FIU. Mandy asked if there will be a presentation or just acceptance. Al responded that the staff will be asked to accept it, but FIU will be there to answer any questions related to the study.

Affordable Housing Incentive Plan

Mandy stated that the next meeting is about the affordable housing incentive plan; this is part of the recommendations that was made by AHAC about the SHIP funding, funds that come from the state. Some are part of recommendations the AHAC had made 3 years ago, some of the members were concerned if some of the recommendations from before were adopted by the City. The assumption was that the recommendation were accepted and provided in the reform.

Brian asked to be excused because had another meeting to attend. Mandy pointed out that since there was no quorum after Brian was excused no further motions will be made.

New Business

Mandy asked Jonathan to discuss about the incentive package provided to the AHAC, and can be resumed at the next meeting. Jonathan stated that the staff had provided the AHAC with the incentives for the affordable housing plan. Included in the package were city staff comments in red writing regarding the status of previous AHAC recommendations. There was no city responds items left blank. The staff provided a template to the AHAC as per their request of what has been done.

Mandy stated that it is AHAC plan to discuss the template and other items, also asked the members to review the incentives the staff put together. Brian asked what the yellow highlighted areas. Jonathan responded that he is not sure why the yellow highlighter, but will confirm with Avis, but it looks like it is the recommendation from the State underneath is the current City policy, but will confirmed and get back with the AHAC on the next meeting.

Bradley pointed out that on the agenda of September 21 it indicated that will discuss the incentive plan on the next meeting, opposed this meeting.

Mandy asked if there is any other new business, there was no indication of new business to be discussed by the AHAC. The agenda topics for the next meeting were provided by the staff.

Communications to City Commission

None

Agenda Topic/s for Next Meeting

- Affordable Housing Incentive Plan

Good of the Order

Jonathan Brown informed AHAC that the next meeting is scheduled on the agenda for October 12th, reminded the AHAC of the special meeting is scheduled for September 21st.

Next Meeting Date: October 12, 2015

Adjournment

The meeting adjourned at 10:05 AM.

[Minutes prepared by Claudia Goncalves]